

South Carolina Deferred Compensation Commission Investment Consultant RFP Questions and Answers

1. **Q. Are there any minimum requirements, if not met, that would result in elimination?**
A. All solicited information will be used in response evaluation. A firm would not be excluded solely because they do not meet one specific criterion.
2. **Q. What is the current annual fee to the investment consultant?**
A. \$65,000.
3. **Q. Does the Plan offer managed accounts or other investment advisory services in addition to the list of options included in the RFP?**
A. No.
4. **Q. How is Citistreet, the Plan's record keeper, compensated – hard dollars, revenue sharing, both or other?**
A. Hard dollars.
5. **Q. What is the Plan's default option?**
A. The Stable Value Fund.
6. **Q. Would the consultant be responsible for employee education?**
A. No.
7. **Q. What has been the frequency of "other" searches (i.e. record keeper, administrator, actuarial, etc.)? Are there any searches planned or in progress?**
A. The Record keeper/Administrator contract ends December 31, 2007. There are no other searches currently planned or in progress.
8. **Q. How often would the consultant meet with the SCDCC Fiduciaries?**
A. At least quarterly.
9. **Q. What types of fiduciary educational sessions are anticipated? What topics have been covered previously?**

A. Topics depend on what is occurring in the industry or specifically requested by Commissioners. Previous topics include general fiduciary education and education on Lifecycle Funds and Lifestyle Funds.

10. **Q. We typically provide our full complement of consulting services for an annual retainer fee. Would this type of fee proposal be acceptable or must it include a "project-type" bid with an hourly rate, etc.?**

A. Please submit both. Your bid must include a "project-type" bid with an hourly rate.

11. **Q. Why is the SCDCC initiating this consultant search (dissatisfaction with current provider, end of contract term, etc.)?**

A. End of contract term.

12. **Q. Is the manager for the Stable Value Fund also responsible for the Guaranteed Certificates? If not, who provides the oversight for these investments?**

A. No. GICs are offered through State Street. Oversight for these investments is provided by the Deferred Compensation Commission in conjunction with the Investment Consultant and in compliance with the Investment Policy. The Stable Value provider is Deutsche Bank.

13. **Q. We noted in the Request for Proposal Services (2.40) that you mentioned actuarial service, and we were wondering if you could provide additional information on what actuarial service you require within the scope of the plans?**

A. At present, we do not anticipate requiring actuarial services.

14. **Q. How often is the SCDCC required to solicit RFPs for the services provided, including record keeping and investment management services? Can you provide an idea of how often the plan has added and/or replaced investment options in the past?**

A. The standard contract is three years, with two one-year optional renewals. Seven funds have been replaced in the last five years.

15. **Q. Part II of the RFP outlines the Scope of Services and section 2.5.0 indicates the consultant shall attend SCDCC meetings. Should proposals assume attendance at four meetings annually with the SCDCC?**

A. Yes, at least four meetings.

16. **Q. Part VI of the RFP outlines the submission of consulting fees proposed. Section 6.1.0 requests fees for investment consulting services and section 6.2.0 indicates projects will be priced on an hourly basis. For purposes of submitting fees under 6.1.0, which of the services under the Scope of Services (Part II) should be considered "projects" and therefore not included in annual fees under 6.1.0? For example, should Request for Proposal Services (under 2.4.0) be considered a project?**

A. 2.4.0, Request for Proposals, is the only project included in the Scope of Services.